


CONTRACT NO. _____

CONTRACT
for
SUPPLIES


Between

CENTRAL INTELLIGENCE AGENCY
(Department)

25X1A



25X1A



AMOUNT, \$12,300.00

*

SECRET

CONTRACT FOR SUPPLIES

25X1A

THIS CONTRACT, entered into this 15th day of June, 1948, by the UNITED STATES OF AMERICA, hereinafter called the Government, represented by the contracting officer executing this contract, and [REDACTED] a corporation organized and existing under the laws of the District of Columbia, hereinafter called the contractor, witnesseth that the parties hereto do mutually agree as follows:

ARTICLE 1. Scope of This Contract. The Contractor shall furnish and deliver, (a) One (1) Preproduction Unit, as per sample, together with one (1) set of detailed manufacturing drawings, for the consideration of Eight Hundred Dollars (\$800.00), F.O.B., Washington, D. C., and

(b) One hundred (100) production units for the consideration of One Hundred and Fifteen Dollars (\$115.00) per unit, or a total consideration, under Article 1 (b) of Eleven Thousand Five Hundred Dollars (\$11,500.00), F.O.B., Washington, D.C., in strict accordance with the basic specifications, schedules, and drawings which result from the development and delivery of the Unit under Article 1 (a) hereof.

Production of the Units under Article 1 (b) shall not begin unless and until said basic specification, schedules, and drawings are formally approved by the Contracting Officer, or his authorized representative in writing, and the Preproduction Unit has been inspected, approved, and accepted.

Delivery under Article 1 (a) shall be made within forty-five (45) days. Delivery under Article 1 (b) shall be made within one hundred twenty (120) days after the aforesaid inspection, approval, and acceptance.

SECRET

Approved For Release 2000/08/17 : CIA-RDP57-00384R000800130004-8

SECRET

ARTICLE 2. *Changes.*—Where the supplies to be furnished are to be specially manufactured in accordance with drawings and specifications, the contracting officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings or specifications, except Federal Specifications. Changes as to shipment and packing of all supplies may also be made as above provided. If such changes cause an increase or decrease in the amount due under this contract, or in the time required for its performance, an equitable adjustment shall be made and the contract shall be modified in writing accordingly. No change involving an estimated increase or decrease of more than Five Hundred Dollars shall be ordered unless approved in writing by the head of the department or his duly authorized representative. Any claim for adjustment under this article must be asserted within 10 days from the date the change is ordered, provided, however, that the contracting officer, if he determines that the facts justify such action, may receive and consider, and with the approval of the head of the department or his duly authorized representative, adjust any such claim asserted at any time prior to the date of final settlement of the contract. If the parties fail to agree upon the adjustment to be made the dispute shall be determined as provided in Article 12 hereof. But nothing provided in this article shall excuse the contractor from proceeding with the contract as changed.

ARTICLE 3. *Extras.*—Except as otherwise herein provided, no charge for extras will be allowed unless the same have been ordered in writing by the contracting officer and the price stated in such order.

ARTICLE 4. *Inspection.*—(a) All material and workmanship shall be subject to inspection and test at all times and places and, when practicable, during manufacture. In case any articles are found to be defective in material or workmanship, or otherwise not in conformity with the specification requirements, the Government shall have the right to reject such articles, or require their correction. Rejected articles, and/or articles requiring correction, shall be removed by and at the expense of the contractor promptly after notice so to do. If the contractor fails to promptly remove such articles and to proceed promptly with the replacement and/or correction thereof, the Government may, by contract or otherwise, replace and/or correct such articles and charge to the contractor the excess cost occasioned the Government thereby, or the Government may terminate the right of the contractor to proceed as provided in Article 5 (or in the article entitled "Delays—Liquidated Damages", quoted in paragraph 5 of the Directions, if it is substituted for Article 5) of this contract, the contractor and surety being liable for any damage to the same extent as provided in said Article 5 (or in said substitute article) for terminations thereunder.

(b) If inspection and test, whether preliminary or final, is made on the premises of the contractor or subcontractor, the contractor shall furnish, without additional charge, all reasonable facilities and assistance for the safe and convenient inspections and tests required by the inspectors in the performance of their duty. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. Special and performance tests shall be as described in the specifications. The Government reserves the right to charge to the contractor any additional cost of inspection and test when articles are not ready at the time inspection is requested by the contractor.

(c) Final inspection and acceptance of materials and finished articles will be made after delivery, unless otherwise stated. If final inspection is made at a point other than the premises of the contractor or a subcontractor, it shall be at the expense of the Government except for the value of samples used in case of rejection. Final inspection shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud. Final inspection and acceptance or rejection of the materials or supplies shall be made as promptly as practicable, but failure to inspect and accept or reject materials or supplies shall not impose liability on the Government for such materials or supplies as are not in accordance with the specifications. In the event public necessity requires the use of materials or supplies not conforming to the specifications, payment therefor shall be made at a proper reduction in price.

ARTICLE 5. *Delays—Damages.*—If the contractor refuses or fails to make deliveries of the materials or supplies within the time specified in Article 1, or any extension thereof, the Government may by written notice terminate the right of the contractor to proceed with deliveries or such part or parts thereof as to which there has been delay. In such event, the Government may purchase similar materials or supplies in the open market or secure the manufacture and delivery of the materials and supplies by contract or otherwise, and the contractor and his sureties shall be liable to the Government for any excess cost occasioned the Government thereby: *Provided*, That the contractor shall not be charged with any excess cost occasioned the Government by the purchase of materials or supplies in the open market or under other contracts when the delay of the contractor in making deliveries is due to unforeseeable causes beyond the control and without the fault or negligence of the contractor, including, but not restricted to, acts of God or of the public enemy, acts of the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, and delays of a subcontractor due to such causes unless the contracting officer shall determine that the materials or supplies to be furnished under the subcontract are procurable in the open market, if the contractor shall notify the contracting officer in writing of the cause of any such delay, within 10 days from the beginning thereof, or within such further period as the contracting officer shall, with the approval of the head of the department or his duly authorized representative, prior to the date of final settlement of the contract, grant for the giving of such notice. The contracting officer shall then ascertain the facts and extent of delay, and his findings of fact thereon shall be final and conclusive on the parties hereto, subject only to

Approved For Release 2000/08/17 : CIA-RDP57-00384R000800130004-8

appeal within 30 days by the contractor to the head of the department concerned or his duly authorized representative, whose decision in such appeal as to the facts of delay shall be final and conclusive on the parties hereto.

ARTICLE 6. Responsibility for supplies tendered.—The contractor shall be responsible for the articles or materials covered by this contract until they are delivered at the designated point, but the contractor shall bear all risk on rejected articles or materials after notice of rejection. Where final inspection is at point of origin but delivery by contractor is at some other point, the contractor's responsibility shall continue until delivery is accomplished.

ARTICLE 7. Increase or decrease.—Unless otherwise specified, any variation in the quantities herein called for, not exceeding 10 percent, will be accepted as a compliance with the contract, when caused by conditions of loading, shipping, packing, or allowances in manufacturing processes, and payments shall be adjusted accordingly.

ARTICLE 8. Payments.—The contractor shall be paid, upon the submission of properly certified invoices or vouchers, the prices stipulated herein for articles delivered and accepted or services rendered, less deductions, if any, as herein provided. Unless otherwise specified, payments will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the contractor, payments for accepted partial deliveries shall be made whenever such payments would equal or exceed either \$1,000 or 50 percent of the total amount of the contract.

ARTICLE 9. Additional security.—Should any surety upon the bond for the performance of this contract become unacceptable to the Government, or if any such surety shall fail to furnish reports as to his financial condition from time to time as requested by the Government, the contractor must promptly furnish such additional security as may be required from time to time to protect the interests of the Government and of persons supplying labor or materials in the prosecution of the work contemplated by the contract.

ARTICLE 10. Officials not to benefit.—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. Covenant against contingent fees.—The contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Government the right to annul the contract, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

ARTICLE 12. Disputes.—Except as otherwise specifically provided in this contract, all disputes concerning questions of fact arising under this contract shall be decided by the contracting officer, subject to written appeal by the contractor within 30 days to the head of the department concerned or his duly authorized representative, whose decision shall be final and conclusive upon the parties hereto. In the meantime the contractor shall diligently proceed with performance.

ARTICLE 13. Domestic articles.—Unless the head of the department or independent establishment concerned shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States shall be delivered pursuant to this contract, except as noted in the specifications and/or other papers hereto attached. The provisions of this article shall not apply with respect to articles, materials, or supplies for use outside the United States, or if articles, materials, or supplies of the class or kind to be used, or the articles, materials, or supplies from which they are manufactured are not mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.

ARTICLE 14. Definitions.—(a) The term "head of the department" as used herein shall mean the head or any assistant head of the executive department or independent establishment involved, and the term "his duly authorized representative" shall mean any person authorized to act for him other than the contracting officer.

(b) The term "contracting officer" as used herein shall include his duly appointed successor or his authorized representative.

ARTICLE 15. Alterations.—The following changes were made in this contract before it was signed by the parties hereto:

(A) Addition of Attachment 'A' entitled: Inventions and/or Discoveries.

(B) Addition of "Attachment 'B' entitled: Price Revision".

(C) Addition of "Attachment 'C' entitled: Public

Policy Provisions"

Approved For Release 2000/08/17 : CIA-RDP57-00384R000800130004-8

SECRET

1. This form or U. S. Standard Form No. 33 shall be used whenever a formal contract is entered into for the procurement of supplies and manufactured articles, whether stock or special, except coal, but their use will not be required in foreign countries.

2. There shall be no deviation from this standard contract form, except as provided for in these Directions, and except as authorized by the Director of Procurement. Where interlineations, deletions, additions, or other alterations are permitted, specific notations of the same shall be entered in the blank space following the article entitled "Alterations" before signing. This article is not to be construed as general authority to deviate from the standard form. Deletion of the descriptive matter not applicable in the preamble need not be noted in the article entitled "Alterations."

3. The blank space of Article 1 is intended for the insertion of a statement of supplies to be furnished or work done, together with time and place of performance and price, or for the enumeration of papers which contain the necessary data.

4. If it is deemed necessary to include an article on patents the Invitation to Bidders shall so state and the following article be used:

ARTICLE *Patents.*—The contractor shall hold and save the Government, its officers, agents, servants, and employees, harmless from liability of any nature or kind, including costs and expenses, for or on account of any patented or unpatented invention, article, or appliance manufactured or used in the performance of this contract, including their use by the Government.

Where any patent or patents are to be excepted from the operation of this article, such exceptions will be specifically stated, by reference to the patent number, date of issue, and name of patentee, in a proviso to be added to the article.

5. If it is deemed necessary to provide for liquidated damages for delay, the following article shall be substituted for article 5 and prospective bidders so advised:

ARTICLE *Delays—Liquidated Damages.*—If the contractor refuses or fails to make delivery of the materials or supplies within the time specified in Article 1, or any extension thereof, the actual damage to the Government for the delay will be impossible to determine, and in lieu thereof the contractor shall pay to the Government, as fixed, agreed, and liquidated damages for each calendar day of delay in making delivery, the amount as set forth in the specifications or accompanying papers, and the contractor and his sureties shall be liable for the amount thereof: *Provided, however,* That the Government reserves the right to terminate the right of the contractor to proceed with deliveries or such part or parts thereof as to which there has been delay, and to purchase similar material or supplies in the open market or secure the manufacture and delivery thereof by contract or otherwise, charging against the contractor and his sureties any excess cost occasioned the Government thereby, together with liquidated damages accruing until such time as the Government may reasonably procure similar material or supplies elsewhere: *Provided further,* That the contractor shall not be charged with liquidated damages or any excess cost when the delay in delivery is due to unforeseeable causes beyond the control and without the fault or negligence of the contractor, including, but not restricted to, acts of God or the public enemy, acts of the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, and delays of a subcontractor due to such causes unless the contracting officer shall determine that the materials or supplies to be furnished under the subcontract are procurable in the open market, if the contractor shall notify the contracting officer in writing of the cause of any such delay, within 10 days from the beginning thereof, or within such further period as the contracting officer shall, with the approval of the head of the department or his duly authorized representative, prior to the date of final settlement of the contract, grant for the giving of such notice. The contracting officer shall then ascertain the facts and extent of the delay and extend the time for making delivery when in his judgment the findings of fact justify such an extension, and his findings of fact thereon shall be final and conclusive on the parties hereto, subject only to appeal, within 30 days, by the contractor to the head of the department concerned or his duly authorized representative, whose decision on such appeal as to the facts of delay and the extension of time for making delivery shall be final and conclusive on the parties hereto.

6. If approval of the contract is required before it shall become binding, the following article must be added:

ARTICLE *Approval.*—This contract shall be subject to the written approval of _____ and shall not be binding until so approved.

(Contracts subject to approval are not valid until approved by the authority designated to approve them, and the contractor's copy will not be delivered, nor any distribution made, until such approval. All changes and deletions must have been made before the contract is forwarded for approval.)

7. The number of executed copies and of certified copies, designation of disbursing officer, statement of appropriations, amount of bond, designation of place of inspection, as well as other administrative details, shall be as directed by the department to which the contract pertains.

8. All blank spaces must be filled in or ruled out. The contract must be dated, and the bond must bear the same or subsequent date.

9. An officer of a corporation, a member of a partnership, or an agent signing for the principal, shall place his signature and title after the word "By" under the name of the principal. A contract executed by an attorney or agent on behalf of the contractor shall be accompanied by two authenticated copies of his power of attorney, or other evidence of his authority to act on behalf of the contractor.

10. If the contractor is a corporation, one of the certificates following the signatures of the parties must be executed. If the contract is signed by the secretary of the corporation, then the first certificate must be executed by some other officer of the corporation under the corporate seal, or the second certificate executed by the contracting officer. In lieu of either of the foregoing certificates there may be attached to the contract copies of so much of the records of the corporation as will show the official character and authority of the officer signing, duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

11. The full name and business address of the contractor must be inserted, and the contract signed with his usual signature. Typewrite or print name under all signatures to contract and bond.

12. If it is definitely known that final acceptance cannot be accomplished within 10 or 20 days from date of delivery, due to necessity for tests or analyses which cannot be accomplished within that time, delete from U. S. Standard Form 31, before issuance, the discount provision relating to 10 calendar days or to both 10 and 20 calendar days. The provision relating to discounts may also be deleted when funds do not become available so that payment may be made within such time limits.

13. When the contract is for technical material to be specially manufactured, the following article may be used:

ARTICLE—No subcontract shall be made by the contractor with any other party for furnishing any of the completed or substantially completed articles, spare parts, or work herein contracted for without the written approval of the contracting officer.

14. Additional contract provisions and instructions deemed necessary for the particular work, not inconsistent with the standard contract provisions, may be included in the contract.

SECRET

SECRET

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the day and year first above written.

THE UNITED STATES OF AMERICA
25X1A

By _____

Two witnesses:

(Official title)

25X1A

I,

, certify that I am the

Secretary of the corporation named as contractor herein; that

who signed this contract on behalf of the contractor, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

I hereby certify that, to the best of my knowledge and belief, based upon observation and inquiry,

, who signed this contract for the

, had authority to execute the same, and is the individual who signs similar contracts on behalf of this corporation with the public generally.

25X1A

/s/ _____

Contracting Officer.

SECRET

SECRET

ATTACHMENT A.

ARTICLE 15. (a) Inventions and/or Discoveries: (i) The Contractor agrees, as part of the consideration and without any further cost to the Government, to grant to the Government an irrevocable, non-exclusive, royalty-free right and license to make, use, and sell or otherwise dispose of, and cause to be made, used, and sold or otherwise disposed of, for any Governmental purpose, devices, materials, and processes utilizing any and all inventions and/or discoveries made and/or reduced to practice in the performance of this contract, whether patented or unpatented. The Contractor agrees to make to the Government, prior to final settlement under this contract, a complete disclosure of all inventions or discoveries made and/or reduced to practice in the performance of this contract and to grant a power to inspect the papers involved in the prosecution of applications for patents on those of said inventions or discoveries which have been or will be covered by applications for patents filed or caused to be filed by the Contractor. As to all such inventions or discoveries not covered or to be covered by applications for patents filed by the Contractor, the Contractor agrees that the Government shall have the right to file, prosecute, and act upon applications for patents therefor and that the Contractor will secure the execution of the necessary papers and do all things requisite to protect the Government's interest in prosecuting such applications to a final issue.

(ii) The Contractor hereby grants to the Government an irrevocable option to purchase a non-exclusive and non-transferable license to make, use, and sell or otherwise dispose of, and cause to be made, used, and sold or otherwise disposed of, for any Governmental purpose, devices, materials, and processed utilizing any and all inventions and/or discoveries covered by any United States patents and applications for patents including any inventions heretofore actually reduced to practice, owned or controlled by the Contractor or under which it has the right to grant licenses, that are incorporated in the material delivered under this contract. The Contractor agrees that any such license will be granted on reasonable terms and conditions, and the Contractor further agrees that said terms and conditions will be subject to negotiation at the time the Government may desire to exercise its option hereunder.

(iii) The Government by the execution of this contract does not admit and is not to be understood as admitting the validity or scope of any patents now issued or any patents which may eventuate from the applications for patents referred to in this contract and expressly reserves the right at any time the interest of the Government shall so required to contest in any way whatsoever, the validity or scope of any such patents without waiving or forfeiting any right under this contract.

SECRET

SECRET

ATTACHMENT B.

ARTICLE 15. (b) Price Revision by Agreement. (i) Upon the written demand of the Contracting Officer, made at any time within ninety (90) days after completion of this contract, but prior to final settlement, the Contractor will redetermine the contract price to reduce it to an amount representing fair and reasonable compensation for the performance hereunder should the Government deem such redetermination advisable. In such instance, the efficiency of the Contractor in production, procurement, accelerating delivery, and management will be given due weight.

(ii) The Contractor will furnish to the Contracting Officers such statements of actual costs of production, as computed on any sound accounting basis, and such other financial statements at such time and in such form and detail as the Contracting Officer may prescribe. The Contractor will maintain such records and books of account, showing the cost to it of performing the work hereunder, as the Contracting Officer may prescribe, and will permit such audits and inspections of its books and records as the Contracting Officers may request.

(iii) The Government shall retain from amounts otherwise due the Contractor, or the Contractor shall repay to the Government is paid to it, any amount of the contract price, found as a result of such redetermination to represent an excessive price and not eliminated through reduction in contract price or otherwise, as the Contracting Officer may direct.

(iv) As used in this ARTICLE, the term "this contract" means this contract as originally written or as supplemented or modified from time to time.

(v) As used in this ARTICLE, the term "fair and reasonable compensation" is the estimate by the parties of the aggregate amount of the costs, including an allowance for profit.

SECRET

SECRET

ATTACHMENT C.

ARTICLE 15. (c) Public Policy Provisions. (i) The Contractor warrants that it has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Government the right to annul the contract or, in its discretion, to deduct from the contract price or consideration the amount of such commissions, percentage, brokerage or contingent fee. This warranty shall not apply to commission payable by the Contractor upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of security business.

(ii) No Member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this Contract or any benefit that may arise therefrom, but this provision shall not be construed to extend to this Contract if made with a corporation for its general benefit.

(iii) The Contractor shall not discriminate in any act performed hereunder against any person on the ground of race, creed, color, or national origin, and shall include such provision in each subcontract.

(iv) The representations and stipulations required by Section 1 of the Act of June 30, 1936 (Walsh-Healey Act, Public No. 846, 74th Congress) to be included in all contracts therein specified are hereby incorporated and made a part of this contract with the same force and effect as if fully set forth in the Contract. Such representations and stipulations shall be subject to all applicable regulations, determinations, and exemptions of the Secretary of Labor nor or hereafter in effect.

SECRET